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# TOO GOOD TO BE TRUE....

A Column on Consumer Issues

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## **Know Your Way Around Dial-Around Long Distance Services**

Once again the trend for advertising in the telecommunications industry has turned to "10-10" long distance services. Dubbed "dial-around" services, these companies allow you to bypass your regular long distance carrier to use their services. Those promoting 10-10 numbers boast that you can make long distance calls for as little as three cents per minute. All you purportedly have to do to save a bundle is to dial the company's seven-digit code, which always begins with "10-10." What the companies don't tell you is that their rates do not suit everyone and that you should read the fine print before placing any calls.

Consumers first should know that the dial-around services have no inherent cost advantage to put them in a position to pass along unique savings to you. Just like any other long distance carrier, a dial-around service has to own its own network of long-distance lines or rent the use of another company's lines. To attract customers, the various 10-10 companies position themselves differently with certain offers. Your job is to find the company that is offering the best deal for your situation. The best way to find the offer most suited to you, as with many consumer issues, is to ask the various companies a lot of questions and educate yourself.

Dial-around services do provide customers with another potentially useful alternative for making long-distance calls. Using the 10-10 services may save you money, for example, if you use them during peak business hours when your regular long distance company's rates may be higher. The 10-10 services may also save you money if you make a number of international calls or if you tend to make lengthy calls. The 10-10 services offer different deals under different situations, however, and you should compare prices among the 10-10 plans and your regular long-distance carrier before blindly using one of the services.

Read the fine print of the offers too, because, depending on your calling habits, the 10-10 may cost you significantly more money than your regular long distance provider. Many of the 10-10 services have hidden costs that can drive the per-minute charges skyward. Some dial-around companies impose a flat monthly fee when you use some of their services. Some charge for a "universal service fund" on their calls, which is something you probably are already paying on the bill for your regular long-distance carrier. All these charges add to the per-minute rate charged. For example, one 10-10-service advertising recently stated your calls would be 3 cents per minute, but in fine print it indicated that for each call made, there would be a 49-cent access fee per call. A one-minute call now costs 52 cents. Other 10-10 services have minimum talk times. For example, one 10-10 service charges 99 cents for calls up to 20 minutes---not a bad deal at five cents per minute. But if you talk for 10 minutes, you still

get charged 99 cents or about a dime a minute. If you reach an answering machine when you make the call, you still pay 99 cents for a call that lasts less than one minute!

Learning all of the terms and conditions about the 10-10 offers can be very difficult if you rely solely on the fast-paced television ads. Before you place any calls, get a rate card from the 10-10 providers so you know what you can expect to pay. To save the most money, you probably will have to be very selective about where and when you call, and keep a stopwatch handy or set a timer so you know how long you have talked. Among the confusing mass of telephone deals being offered by various companies, good deals are there, but if you do not keep yourself informed and remain careful, you will end up paying more than if you use your regular long distance company.

*The Attorney General's Consumer Protection Division investigates allegations of fraud in the marketplace. Investigators also mediate individual complaints against businesses. If you have a consumer problem or question, call the Consumer Protection Division at 328-3404, toll-free at 1-800-472-2600, or 1-800-366-6888 (w/TTY). This article and other consumer information is located on our website at [www.ag.state.nd.us](http://www.ag.state.nd.us).*

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